UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF TEXAS MC ALLEN DIVISION

SPRINGBOARDS TO EDUCATION, INC,)	CASE NO: 7:16-CV-00523
Plaintiff,)	
vs.)	CIVIL
MC ALLEN ISD, ET AL,)	
Defendants.)	McAllen, Texas
SPRINGBOARDS TO EDUCATION, INC,	Tuesday, March 6, 2018
Plaintiff,)	(4:21 p.m. to 4:46 p.m.)
vs.)	
NORA GALVAN, ET AL,)	CASE NO: 7:16-CV-00524
Defendants.)	
SPRINGBOARDS TO EDUCATION, INC,	
Plaintiff,)	
vs.)	CASE NO: 7:16-CV-00526
LA JOYA ISD,	
Defendant.)	
SPRINGBOARDS TO EDUCATION, INC,	
Plaintiff,)	
vs.)	CASE NO: 7:16-CV-00527
MISSION ISD,	
Defendant.)	
SPRINGBOARDS TO EDUCATION, INC,	
Plaintiff,)	
vs.)	CASE NO: 7:16-CV-00617
IDEA PUBLIC SCHOOLS, ET AL,)	
Defendants.)	

HEARING

BEFORE THE HONORABLE RICARDO H. HINOJOSA, CHIEF UNITED STATES DISTRICT JUDGE

Appearances: See next page

Court Recorder: Antonio Tijerina

Transcribed By: Exceptional Reporting Services, Inc.

P.O. Box 18668

Corpus Christi, Texas 78480-8668

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Proceedings recorded by electronic sound recording; transcript produced by transcription service.

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Schulman Lopez Hoffer & Adelstein

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It's not something that disproves our

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that proves our case.

MR. DE LEON: Well, at least depose those that wrote the affidavits that's proving that -- their use at all. And we also want to see, I mean, how frequent -- we don't have to have monthly, you're right, and they're right. We don't have to have monthly, but we do have to have continuous use. And if there's --

THE COURT: So, now, why would he not have the right to conduct depositions of those individuals that signed the affidavits?

MR. BARENBERG: And your Honor, we presented that authority before, and I think you agreed with us that on summary judgments, you don't get -- you don't question the credibility of the witnesses. You know, if you say, "Well, I think the witness lied about this", that's not a proper area for additional discovery from -- under Rule 56, so we cited the authority for that before.

If we were presenting evidence, for example, if our only evidence of prior use was testimony of the witnesses, that we had a witness who said, "Yes, we used it every year", and we didn't have documentary evidence, well, then it is a question of the credibility of the witness. But here we have the documentary evidence of the use and the witnesses, the affiants, are just authenticating that evidence. They say, you know, "We had a use in 2003, 2004; here's the trophy".

- something without proof; they actually have produced the trophy.
- 3 MR. BARENBERG: Yes.

- THE COURT: Okay. Well, the Court's ready to rule.

 It is clear to me that there is no fact issue with regards to
 the prior use by La Joya, and that it meets all the legal
 standards as to it was continuous enough to satisfy the law as
 to prior use and whatever is required with regards to prior
 use, that there is no way that the La Joya School District
 could have been violating any rights that the Plaintiffs might
 have here.
- So, with regards to La Joya, the Court is going to grant the motion for summary judgment.
 - That leaves all the other school districts other than La Joya and -- however, you had counterclaims. Were you still going to proceed with those? On La Joya.
 - MR. BARENBERG: Your Honor -- your Honor, we need to confer with the client on that. I think the client is ready to be done with this, but we are concerned about appeals;

 Springboard appealed in the Houston case. And I just need to discuss it with the client, see what they want to do. We also think there might be grounds for attorney fees, but again, I need to discuss that with the client. And we'd ask for -- if you want to set a deadline for us to submit -- to submit something.

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              THE COURT: Well, you have filed a motion to
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    supplement your counterclaim, right?
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              MR. BARENBERG: There was a -- yes.
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              THE COURT: That was way back on April 6 of last
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    year.
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              MR. BARENBERG:
                              Yes.
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              THE COURT: So, and -- and you actually amended your
    counterclaim.
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              MR. BARENBERG: Yes, and I apologize, your Honor.
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    remember filing that; I don't remember the grounds of that
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    supplemental motion. I was thinking on counterclaim -- and we
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    cited this authority in the supplement --
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              THE COURT: Well, what I'm going to do is, I'm going
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    to leave your counterclaim and really moot out the motion for
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    relief to file supplemental counterclaim until you find out if
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    you really want to proceed with it and if you really need to
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    amend it. Or supplement it. Does that make sense?
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              MR. BARENBERG: And your Honor, I apologize.
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    out a little bit. I think what you told me is that you'll wait
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    until we check with the client.
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              THE COURT: Well, you --
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              MR. BARENBERG: See what the client --
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              THE COURT: -- you have a pending counterclaim.
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    There is an old motion for leave to file supplemental
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I'm just going to moot that one out, and at some

counterclaim.

- 1 point, if you want to continue with a counterclaim, after you
- 2 | inform me if you're going to continue with it, you can ask to
- 3 | supplement or amend your counterclaim.
- 4 MR. BARENBERG: I understand.
- 5 THE COURT: I just can't have all these motions
- 6 pending with nothing to indicate, well, what are you doing
- 7 here.
- 8 MR. SALDANA: That's fine, your Honor.
- 9 THE COURT: Yes. Does that make sense? Can you hear
- 10 me?
- 11 MR. BARENBERG: Yes, your Honor, I can hear you.
- 12 **THE COURT:** Well, that's what the Court is doing on
- 13 | that one.
- MR. BARENBERG: Thank you.
- 15 THE COURT: And your deadline for letting the Court
- 16 know as to whether you want to proceed with a counterclaim
- 17 | would be to inform the Court by March the 28th.
- 18 MR. BARENBERG: And would that also apply to a motion
- 19 | for attorney fees?
- THE COURT: Yes.
- 21 MR. BARENBERG: Thank you.
- 22 THE COURT: That leaves the other school districts,
- 23 and the other -- some of the other -- the other school
- 24 districts have filed -- you did give them some discovery
- 25 requests?

- 1 MR. DE LEON: Yes, sir.
- 2 THE COURT: They have filed -- some of them filed
- 3 motions for protection, and you have not responded to those,
- 4 and those are still pending. It's their motion for protection,
- 5 and I'll let one of them address their motions for protection.
- 6 Some of them have filed -- one of them has filed
- 7 | objections and the others have filed, other than La Joya, have
- 8 | filed objections I believe. And some of the school districts
- 9 actually filed objections. Others filed motions for
- 10 protection.
- And the motions for protection were filed in McAllen
- 12 | School District, Mission School District, and IDEA Schools.
- 13 McAllen, Mission, and IDEA Schools filed motions for
- 14 protection. And I believe that Pharr -- PSJA has filed
- 15 objections.
- 16 MR. WILLIAMS: Roger Williams for McAllen and
- 17 Mission, your Honor. And I think everyone filed objections.
- 18 | We filed, McAllen and Mission filed objections and motions for
- 19 protection. And --
- 20 **THE COURT:** Right. I mean, but the motion for
- 21 protection was more encompassing than just the objections.
- 22 MR. WILLIAMS: Correct, correct.
- 23 **THE COURT:** Right.
- MR. WILLIAMS: And so how -- there are some issues
- 25 | that we can take at a relatively high level and then there's

- some issues that are specific to each interrogatory. Do you have a preference about how to proceed?
- THE COURT: Yeah, I have a preference as to how to

 proceed here. Where the motions for protections have been

 filed, I think you should file motions to compel if he's

 opposed to those because he hasn't responded to the motion for

 protection and he either has to file -- he obviously has to

 respond to those and file a motion to compel if that's what he

 thinks needs to be done.

For the ones with objections, well, they should file
-- probably file a motion for protection so that he can file a
motion to -- or he can -- the ones with the objections needs to
file a motion to compel if that's what he's going to do.

I mean there's a motion for protection, normally there's an answer for the motion for protection. He hasn't filed it yet.

MR. WILLIAMS: Right.

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THE COURT: And so what I'm saying is that he needs to file a motion to compel if -- in the form of a response to the motion for protection.

And on the ones with objections, well, he should file a motion to compel because those are very limited -- they're limited to the ones that they're actually directed against.

What that does -- the other thing is, I am ready to rule on the Plaintiff's motions for summary judgment. And do

- Case 7:16-cv-00523 Document 85 Filed in TXSD on 03/15/18 Page 13 of 24 13 1 you want to address yourself to those, to wit all your motions 2 for summary judgment that you have? 3 MR. DE LEON: Well, your Honor, we thought this hearing was going to be only for the "in use" question on 4 5 whether we get discovery. We, I mean, most -- even Houston said that they used it, and I don't know if we actually 6 7 discussed this; we haven't discussed this, you know, between the parties, but, you know, it -- we could wait on the summary 8 judgment motions until after discovery or we could postpone 10 them or you can dismiss them. I mean, we -- basically, I don't 11 think they're willing to cave in on infringement. And --THE COURT: Well, your motions for summary judgment 12 13 on each one of these actions is, you've tried to say that as a
 - matter of law you're entitled to judgment upon your claims of trademark counterfeiting, --

MR. DE LEON: Yes, sir.

THE COURT: -- trademark infringement, --

MR. DE LEON: Yes.

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THE COURT: -- false designations of origin, false description, and trademark dilution. At best, what I can say is that these motions were really premature and you certainly have failed to present enough evidence for me to say that the motions for summary judgment should be granted.

> MR. DE LEON: Okay.

And so at best, that's the best that I

can do for you. So, I will definitely deny your motions for summary judgment on all those issues as well as what's in your motions. At some point you can ask me to reconsider that, but your motions for summary judgment with regards to these school districts is denied because, as I said, at best, based on the evidence that we have here, they're certainly premature and you didn't present enough evidence at all for these alleged violations.

I think what that leaves us with is then the discovery issues need to be decided because, as I've indicated all along, the commercial use is the one certainly based on everything that we've seen and certainly the Houston Court decisions, the commercial use is about the only issue that's left here to some extent, and I have limited discovery to that particular aspect. They have responded saying, "You were going way beyond that in what you've asked us for discovery and we're asking for protection and/or objection." You need to file your motion to compel indicating why they are wrong if they are wrong.

And then I think with regards to their remaining motions for summary judgment, they should be denied without prejudice to filing after we finish with any discovery that there might be on commercial use, especially in light of what the Houston Court has done after discovery with regards to granting motions for summary judgment in the Defendants' cases

I'm saying is that commercial use has -- I said you could limit

- 1 | yourself to commercial use --
- 2 MR. DE LEON: Yes.
- 3 THE COURT: -- because of what the Court has felt all
- 4 along, and the Houston decision, and everything else.
- 5 MR. DE LEON: Yes, sir.
- 6 THE COURT: They have said we don't have to answer to
- 7 these because we're either objecting or we're asking for
- 8 protection. That gives you a right to respond to the
- 9 objections by filing a motion to compel and responding to the
- 10 motions for protection with a response to that or a motion to
- 11 compel.
- 12 Having said all that, even after all that is done,
- 13 and if there is any discovery, they will still have the right
- 14 to file the motion for summary judgment just like --
- 15 MR. DE LEON: Yes, your Honor.
- 16 THE COURT: -- the school district in Houston did.
- 17 MR. DE LEON: It's clear. You're --
- 18 **THE COURT:** And they will have a strong basis because
- 19 of what has already been ruled in this district.
- 20 MR. DE LEON: Yes, your Honor.
- 21 THE COURT: And I don't disagree with the legal
- 22 decision-making that was done in that case. I don't know that
- 23 | we have any facts here that would be different, but that's what
- 24 I'm doing here.
- 25 MR. DE LEON: Yes, your Honor.

- THE COURT: And as far as I'm concerned nothing else
 is pending other than what I have just said.

 MR. DE LEON: Thank you, your Honor.
- **THE COURT:** Is that clear to everybody? You all are looking very surprised at me.
- MR. WILLIAMS: Can I just make sure I understand.

 So, right now we have pending motions for summary judgment and today you are denying those without prejudice.
 - THE COURT: Without prejudice to refiling after if there is any discovery that's going to be filed involving the commercial use --
- 12 MR. WILLIAMS: Got it.

- THE COURT: -- that I'm going to allow that would raise an issue that they're saying that they're entitled to continue, you would have the right to have the motion for summary judgment, especially in light of the fact that we have some decision that's already been done in this district after discovery.
- MR. WILLIAMS: And, but the first thing that's going to happen is the Plaintiff, if he thinks he's entitled to discovery, he's going to file a motion to compel and we're going to address those issues.
- **THE COURT:** Yes.
- 24 MR. WILLIAMS: Yes, your Honor.
- 25 THE COURT: And so there won't be anything -- he may

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-- we're going to have to have a motion to compel to see if he
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    has any right whatsoever to undo your motion for protective
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    order or the objections in the -- in the one case where there
    were objections and not a motion for protective order.
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              MR. WILLIAMS: Then I have one procedural issue
    specific to Mission, your Honor, may I address?
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              THE COURT: Sure.
              MR. WILLIAMS: Yesterday we filed a motion to
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    supplement the record on the motion for protective order on
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    behalf of Mission within declaration, and so that he knows what
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    he has to move to compel against, will the Court --
              THE COURT: Well, I'm sure you sent him a copy,
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    right?
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              MR. WILLIAMS: Yes.
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              THE COURT: Okay. And so, what's your question?
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              MR. WILLIAMS: Well, we originally -- Mission
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    originally filed a motion for protection on February 22nd and
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    we filed a motion to add a declaration yesterday. Will the
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    Court grant leave --
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              THE COURT: Well, I'm going to grant your motion to
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    add your declaration so he knows that's part of your motion for
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    protection order.
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              MR. WILLIAMS: Yes.
                                   That's what I'm asking.
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              THE COURT: Is that what you're asking?
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              MR. WILLIAMS:
                             Yes.
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We were under

objections instead of filing a protective order.

- 1 | the impression that -- from the last hearing that that was what
- 2 | you had wanted. Would you permit us to file a very quick
- 3 | motion for protective order as well? Just so that we're all
- 4 kind of on the same page.
- 5 THE COURT: Yeah, that's fine.
- 6 MS. GODDEN: Okay. Thank you, your Honor.
- 7 THE COURT: What he was going to have to file was a
- 8 | motion to compel, but if you want to file your motion for
- 9 protective order, that's fine.
- 10 MS. GODDEN: Yes, sir.
- 11 **THE COURT:** He was going to have to do the same thing
- 12 | with your objections as he's going to have to do with the
- 13 motions for protective order.
- 14 There's a lot of amended answers that I'm granting,
- 15 and I don't want the original answers that are pending on some
- 16 of these to be unclear that those haven't been granted. Some
- 17 of these go way back to 2017 with regards to some answers that
- 18 | some of the parties had wanted to do, but what I'm saying is,
- 19 | anything else is denied without prejudice to reurge in whatever
- 20 | might be left here. I don't know that there's anything else
- 21 that's left here other than the motions for summary judgment of
- 22 the Defendants here.
- MR. COURTIN: Your Honor, may I?
- 24 **THE COURT:** Yes.
- 25 MR. COURTIN: IDEA Public Schools within the past

- 1 maybe two weeks, I believe, filed a motion for leave to
- 2 supplement our answer to include the counterclaim of collateral
- 3 estoppel to address the Houston ISD decision. So, I'd ask that
- 4 | if we could that you consider granting that rather than denying
- 5 | it just now.
- 6 THE COURT: Well, I'll grant you the -- that, but in
- 7 | the way of an amended answer so we don't have a confusion that
- 8 we have a supplement and an answer.
- 9 MR. COURTIN: Certainly. Okay.
- 10 THE COURT: And you can file it as an amended answer
- 11 to include that claim.
- 12 MR. COURTIN: Yes, your Honor. Thank you.
- 13 **THE COURT:** Okay. And that's true of anybody else
- 14 | who has supplemented or asked for a supplement. If you file a
- 15 motion for an amended answer, I'll grant it.
- 16 Anything else?
- 17 MR. WILLIAMS: I believe -- for Mission, your Honor,
- 18 | I believe Mission filed a request to supplement -- I mean, a
- 19 request to amend their answer. And I believe that had not been
- 20 | ruled on, but I can go back and check.
- 21 THE COURT: Right, but that goes to March 16th of
- 22 2017.
- 23 MR. WILLIAMS: Yes. And are you suggesting you're
- 24 denying it right --
- 25 **THE COURT:** What I'm suggesting is, with regards to

- any motions to amend your answer, I will be very liberal in granting motions to amend answers after the discovery as to whether we are -- really have anything that would show a
- 5 MR. WILLIAMS: I understand. Thank you. I
- 6 understand.

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- 7 **THE COURT:** Because we have limited this so much that 8 we're just --
- 9 MR. WILLIAMS: Fair enough. Yes.

problem with commercial use.

- THE COURT: -- down to commercial use as far as I'm

 concerned and I thought I gave that instruction in the past.

 And so I'm not -- any other requests to amend an answer is

 denied without prejudice to refiling after we have the issue of

 the discovery issue that as far as I'm concerned is the only

 one left, the discovery here, and that way you don't have to be
- 17 MR. WILLIAMS: Understood. Thank you.

amending your answer again and again.

- 18 **THE COURT:** And also that includes with regards to
 19 counterclaims obviously except for the one that was already
 20 pending here.
- 21 Anything else?
- 22 MR. DE LEON: Thank you, your Honor.
- THE COURT: If you all don't have anything else, you
- 24 | all can be excused.
- 25 MR. WILLIAMS: Thank you, your Honor.

CERTIFICATION	
I certify that the foregoing is a correct transcript from the	
electronic sound recording of the proceedings in the above-	
entitled matter.	
Join Hudson	
March 15, 2018_	
MONT THID GON MD ANG CD T DED	
TONI HUDSON, TRANSCRIBER	